

Commissioner Minutes of February 13, 2018

Public Hearing – USDA Application
Vehicles and Building Improvements

Chairman Walters called the public hearing to order at 8:45 a.m. and roll call found all Commissioners present. Chairman Walters commented that the purpose of the public hearing today was to discuss the application for USDA funds for the purchase of county vehicles for the Maintenance and Construction Codes departments along with the assistance from USDA for property improvements to their county buildings.

Commissioner Aultman explained that she met with Jackie Morgan in early December to begin the process of a loan to update the County buildings. Commissioner Aultman stated that the project loan will be estimated at \$2 million over 30 years with an annual payment of approximately \$120,000. Discussion on heating and cooling issues, window replacement and parking lots that all need to be addressed.

Commissioner Birgel stated that in his review of the utility bills, the savings on natural gas and electric bills would be reduced by making the needed repairs. These savings would be a significant portion of the payment toward the loan.

Commissioner Smith commented on the cost to cool the condenser unit each summer with city water, adding that those savings would also contribute to the loan payment. Further discussion on the many improvement projects that will be part of this loan.

Public Comments: Ray Hartwell asked the Board which individual will be responsible for ranking each project in a priority order. Commissioner Aultman stated that the consultant that is being hired will take care of those issues.

No further discussion or comments. The public hearing was concluded at 8:55 a.m. The Board took a short recess until their regular scheduled meeting began.

The Gladwin County Board of Commissioners met in Regular Session on Tuesday, February 13, 2018. The meeting was called to order at 9:00 a.m. by Chairman Walters. The Pledge of Allegiance was recited and a short prayer was given. Roll call found all Commissioners present.

The Board reviewed the agenda. *Motion by Commissioner Birgel, supported by Commissioner Smith, to proceed with the consent agenda as prepared, with the addition of Steve King, CMDHD, to discuss point of sale programs. This will be placed under "new business". Ayes carried, **motion passed.***

The **cash balances** were then read by Commissioner Aultman. *General Fund - \$110,687.10 before the payment of any bills. Treasurer Van Tiem stated that she has not done any of the appropriation transfers yet, so the County is sitting very well financially at the moment.*

*The regular minutes and executive session minutes of the January 23, 2018 meeting were then reviewed. Motion by Commissioner Birgel, supported by Commissioner Walters, to approve the minutes as prepared. Ayes carried, **motion passed.***

Public Comments: none at this time.

New Business –

1. **Mike Kruchkow**, Soil Conservation, came before the Board to give an **update on the 2017 Gypsy Moth program**. Mr. Kruchkow commented that this is the third year that the program has been handled by the Conservation District, noting there have been no active spray blocks until this year. Sherman and Grout Townships both have sections that he would suggest spraying. Mr. Kruchkow has contacted Al's Spraying Service, commenting that they charge \$26/acre with a minimum spray of 40 acres. Discussion. Mr. Kruchkow stated that with the funding left in the Gypsy Moth millage fund there will only be enough funding to operate one more year and that he would like to explore the option of a millage. Discussion. The Board will meet again in two weeks to review further information on spraying the two sections in Grout and Sherman and to look at a contract proposal with Mr. Kruchkow.
2. **Carol Darlington and Meghan Keen, MMCC**, spoke to the Board on programs and services provided through Mid-Michigan Community College. Funding sources, upcoming community events and lifelong learning programs were reviewed with the Board. Mrs. Darlington left the Board with several informational pieces for their review.
3. **Amanda Lambdin, City Housing Commission**, presented to the Board their "March for Meals" and Senior Awareness program. Ms. Lambdin commented there are many ways to help during the month of March and that she can be contacted to set up a time to volunteer.
4. **Treasurer Christy Van Tiem** presented the Board with the **resolution to borrow for the Road Commission for their building project**. Road Commissioner Brabon stated that they have an architect that is working on the "footprint" of the new building. *Motion by Commissioner Smith, supported by Commissioner Birgel, to adopt the resolution as drafted and presented.* Roll call vote as follows: Hinman – yes, Walters – yes, Aultman – yes, Smith – yes, Birgel – yes. 5 yes, 0 no. Ayes carried, **resolution 2018-002 declared adopted**. Treasurer Van Tiem then presented a **Resolution to Borrow Against Anticipated Delinquent 2017 Real Property Taxes**. This resolution provides up to \$2 million in borrowing and up to \$2.5 million with fees. *Motion by Commissioner Smith, supported by Commissioner Hinman, to adopt the resolution as presented.* Roll call vote as follows: Walters – yes, Aultman – yes, Smith -yes, Birgel -yes, Hinman -yes. 5 yes, 0 no. Ayes carried, **resolution 2018-003 declared adopted**. Lastly, the Treasurer provided the Board a copy of the 2017 Annual Investment Report for their review.
5. **Steve King, CMDHD**, spoke to the Board on the point of sale program to handle the inspection of well and septic systems for new home purchases. Discussion on the policy that has been adopted for Isabella County and the need to revise and provide to the Attorney for review. The Board will work on this policy and present at a future Board meeting for approval.
6. **Rick Ghent, Maintenance Supervisor**, came before the Board on a staffing request. Mr. Ghent explained that he has an employee who is off on Family Medical Leave and has an unknown date to return to work. Mr. Ghent is requesting that he be allowed to move the part time employee to "temporary full-time status" until further notice and to hire a part time janitorial employee under a 1099 contractual status until further notice. Discussion. *Motion by Commissioner Aultman, supported by Commissioner Hinman, for the temporary promotion of*

*the part time employee to full time effective 2-13-2018. Ayes carried, **motion passed.** Motion by Commissioner Smith, supported by Commissioner Hinman, to allow Mr. Ghent to hire a part time contractual janitorial employee on a temporary basis. Ayes carried, **motion passed.***

*Motion by Commissioner Hinman, supported by Commissioner Birgel, to go into an executive session to receive an update on Court Management issues. Ayes carried, **motion passed.***

EXECUTIVE SESSION 9:52 – 10:19 a.m.

*Motion by Commissioner Birgel, supported by Commissioner Hinman, to return to regular session. Ayes carried, **motion passed.***

Finance Matters – Commissioner Aultman:

1. Rick Ghent, Maintenance Supervisor, brought an invoice for the repairs to the stand pipe at the Health Department that was required to be fixed. Total cost of \$1,400.00 to be paid from 101-265-930.002 once approved. Mr. Ghent voiced his concern that there was not enough in this line item to pay for the service and there would need to be a budget amendment at a later date to cover the expense. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to approve the repair as requested. Ayes carried, **motion passed.***
2. Mr. Ghent has also requested the purchase of additional cleaning cloths through Holy Moly. The purchase of 25 cloths will be paid from 101-265-727.000 at \$79.95. This purchase will require an online purchase with the use of the county's credit card. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow the Clerk to make the purchase using the credit card as requested. Ayes carried, **motion passed.***
3. Matt McGourty, Jail Administrator, has provided the committee information on the purchase of 100 mattresses and storage containers for the inmates. Total cost of approximately \$5,790.00 will be paid from 283-000-583.00 once approved. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow for the purchase as outlined. Ayes carried, **motion passed.***
4. Kim Halis, Equalization Director, has prepared the 2018 tentative ratio and multipliers for the assessed property values. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to accept the rates as provided and to allow for the Equalization Director to publish in the paper as required by tax law. Ayes carried, **motion passed.***
5. The Prosecutor has requested permission to establish a new expense line item for Victim Rights Services. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow the Treasurer to create line item 101-229-835.003 for this purpose. Ayes carried, **motion passed.***
6. The County Clerk has mandatory state election training sessions that have been scheduled as follows: Train the Trainer, February 28th in Grayling and QVF Refresh, April 18th in Gaylord. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow for mileage and meal expense for both of these training sessions from 101-191-860.000. Ayes carried, **motion passed.***
7. Constance Thurlow-White, Clerk's Office, has submitted a request for payout of 63.75 hours of unused vacation. Once approved, the amount of \$1,102.24 can be paid from 101-215-705.000. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to approve this request. Ayes carried, **motion passed.***
8. Karee Barlow, 911 Assistant Administrator, has scheduled two dispatchers for "Advanced 40 Hour Dispatch Training" March 5th – 9th at Calhoun County Central Dispatch. The cost of the training is \$699.00 per attendee plus mileage, hotel and meals. These fees can be paid from 282-000-804.000 once approved. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to approve the training as outlined. Ayes carried, **motion passed.***

9. Mike Brubaker has calculated the eligible training hours reimbursable under the 282 Wireless Training Fund. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow the Treasurer to move \$6,778.96 from the 282 training fund to the General Fund to offset the already incurred expenses from 2017. Ayes carried, motion passed.*
10. The 2018 Marine Grant application is due to the State no later than March 1, 2018. Undersheriff Hartwell has requested that the Clerk handle the application for his department. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow the Clerk to prepare the grant under the grant reimbursement policy with a 1.5% fee. This fee can be written into the grant for reimbursement. Ayes carried, motion passed.*
11. Last meeting the Board authorized a purchase of one patrol unit for the Sheriff's Department using USDA funding. Undersheriff Hartwell has requested that the Clerk handle this application for his department. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to allow the Clerk to write the grant under the grant reimbursement policy with a 1.5% fee. Ayes carried, motion passed.*

Commissioner Aultman then reviewed with the Board the application process for the hiring of an architect to handle the Courthouse renovation project. Discussion on the applicants. *Motion by Commissioner Birgel, supported by Commissioner Aultman, to place the project for bid with the three interested firms. Ayes carried, motion passed.*

Commissioner Reports by District –

Commissioner Birgel reported:

- On attending the Beaverton City meeting last night. The residency clause of the new City Manager's contract was discussed. Nila Frei has been appointed to fill the vacancy created by the resignation of Kari Jefferson. The hydro issues with the City's dam are still being reviewed.
- That he also attended the Beaverton Township meeting last night, noting their medical marijuana public hearing was held and the plan was approved.
- That the Grout Township meeting will be held tonight.

Commissioner Aultman reported:

- That she attended the District Health meeting in Harrison on January 24th. There are several reports available for the Board's review, including a report from Dr. Morse.
- On attending the Michigan Works meeting on January 23rd in West Branch, noting several reports that can be shared with the Board.
- On the Dispatch meeting on January 25th where she sat in for Commissioner Walters.
- That she attended the Court Management Counsel meeting with Commissioner Hinman on January 25th.
- On attending the Mental Health meeting on January 26th, noting conversation on the appropriation amount that has been assessed to each county. They will continue to research the issue.
- That she spoke with several vendors by phone regarding the purchase of a timeclock system on January 22nd.
- On working on the personnel policy on January 27th with Chairman Walters.
- On attending Finance on January 28th.
- That she attended both the Billings and Bentley Township meetings last night.
- On the letter received by the Central Michigan Health Department acknowledging the full appropriation would be received by the County for 2018 and there will be no further permit excess fees passed on to the residents.

- On a request from Assistant Court Administrator Madaj on making the part time employee in Probate Court full time. Mr. Madaj was asked to give additional details as to why he needed the additional staffing. Discussion. *Motion by Commissioner Birgel, supported by Commissioner Hinman, to allow for the increase in staffing hours as requested.* Roll call vote as follows: Aultman – no, Smith – no, Birgel -yes, Hinman – yes, Walters – yes. 3 yes, 2 no. Ayes carried, **motion passed.**
- That the County Clerk has requested permission to appoint one of her employees to a Chief Deputy position. This action will not include the hiring of any additional staff and will be posted internally. *Motion by Commissioner Aultman, supported by Commissioner Smith, to allow the Clerk to post for the position as requested.* Ayes carried, **motion passed.**

Commissioner Smith reported:

- That she attended the Parks and Recreation meeting on January 31st with Don Hamilton where they discussed grant funding for the rail trail.
- On attending the Hay Township meeting, noting they are a great group to work with and they are doing well.
- On the Tobacco Township meeting on February 12th. Don Zackett gave an update on FEMA activities, noting Gladwin County has been assigned a “Type A” flood plain. Emergency Manager Hill replied.
- That she will be attending the Land Bank meeting on Thursday.
- Her brother is celebrating his 64th wedding anniversary today.
- That she would like to thank everyone for their well wishes after her husband’s procedure.

Commissioner Hinman reported:

- That he attended the Crime Stoppers annual event in support of the Law Enforcement Officers in the community. Commissioner Hinman commented that it was a nice event and he would like to congratulate the Sheriff on his Outstanding officer, Dispatcher and Corrections Officer of the Year.
- On attending the Court Management meeting on January 25th.
- That he participated in the Indigent Defense Counsel meeting in Clare on January 26th.
- On the Public Safety meeting on January 30th.
- That he attended the Parks and Recreation meeting on January 31st.
- On attending the DATA meeting on February 2nd where they discussed ongoing telephone issues and another DATA meeting held on February 7th.
- That he was unable to attend the Airport meeting on February 8th.

Comments from the Chairman:

- On the need to correct the appointment to the Fair Board from Bev Przystas to Melissa Preston. A letter will be sent to Ms. Preston today on her appointment.
- That he attended the DATA meetings on February 2nd and February 7th.
- That he was not able to attend the Gladwin City meeting.
- On the Finance meeting on February 8th.
- That the Veterans meeting will be held this afternoon.
- On the Sage Township meeting tomorrow.
- That he has been working with the Road Commission on proposals on their new building project.

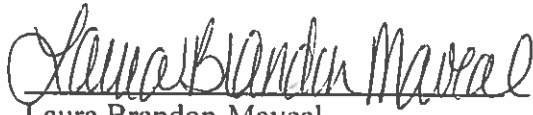
- That the next Council of Local Government meeting will be held on February 26th in Sherman.


*Motion by Commissioner Smith, supported by Commissioner Hinman, to receive and file various correspondence and reports. Ayes carried, **motion passed.***

Public Comments – Chief Judge Roy Mienk spoke on the letter regarding the funding dispute between the Board and the Courts. Discussion. Judge Mienk stated that the requested mediation will be held under closed session with any final determination to be voted on the same day by action of the whole Board. It was decided that a special Board meeting would be held on February 23, 2018 at 10:30 a.m., noting several commissioners commented that this day may not work for them as they have previous engagements. Motion by Commissioner Hinman, supported by Commissioner Smith, to set a special meeting for February 23, 2018 for 10:30 a.m. Ayes carried, motion passed.

Commissioner Aultman commented that she has received a message from Jackie Morgan as USDA that the Board can hire one of the three architects that have been interviewed for the project design. *Motion by Commissioner Aultman, supported by Commissioner Birgel, to hire James S. Bates pending review of his contract proposal. Ayes carried, **motion passed.***

*Motion by Commissioner Birgel, supported by Commissioner Aultman, to adjourn. Ayes carried, **motion passed.** Meeting adjourned at 11:12 a.m., until the next regular Board meeting on February 27, 2018 at 9:00 a.m., unless otherwise ordered.*


Laura Brandon-Maveal
County Clerk


Terry Walters
Chairman

At a regular meeting of the Board of Commissioners of the County of Gladwin, Michigan, held on the 13th day of February, 2018.

PRESENT: Hinman, Walters, Aultman, Smith,
Birgel

ABSENT: none

The following resolution was offered by Smith and seconded by Birgel:

WHEREAS, the County of Gladwin (the "County") proposes to issue its tax-exempt bonds in one or more series (collectively, the "Bonds") to finance the cost of acquiring, constructing and improving County road commission facilities located at 301 S. State Street, Gladwin, Michigan, including but not limited to acquiring, constructing and improving new office and mechanic shop facilities, demolishing and removing certain existing facilities, and making other improvements to the new and improved facilities and the site thereof (the "Project"); and

WHEREAS, it is anticipated that the County will advance all or a portion of the costs of the Project prior to the issuance of the Bonds, such advance to be repaid from proceeds of the Bonds upon the issuance thereof; and

WHEREAS, Section 1.150-2 of the Treasury Regulations on Income Tax (the "Reimbursement Regulations") specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the County intends by this resolution to

qualify amounts advanced by the County to the Project for reimbursement from proceeds of the Bonds in accordance with the requirements of the Reimbursement Regulations.

BE IT RESOLVED by the Board of Commissioners of the County of Gladwin, Michigan, as follows:

1. The County hereby declares its official intent to issue its limited tax general obligation bonds in one or more series in the aggregate principal amount of not to exceed \$4,000,000 to finance all or part of the cost of the Project. The County hereby declares that it reasonably expects to seek reimbursement for its advances to the Project as anticipated by this resolution.

2. The County Clerk is hereby instructed to publish the notice attached hereto once in a newspaper of general circulation in the County of Gladwin, which notice shall not be less than ¼ page in size in such newspaper.

3. All resolutions and parts of resolutions insofar as they may be in conflict herewith are hereby rescinded.


YEAS: Hinman, Walters, Aultman, Smith,
Birgel

NAYS: none

STATE OF MICHIGAN)
)ss
COUNTY OF GLADWIN)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Board of Commissioners of the County of Gladwin, Michigan, held on the 13th day of February, 2018, the original of which is on file in my office. I further certify that notice of said meeting was given in accordance with the Open Meetings Act.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 13th day of February, 2018.


Clerk, County of Gladwin

Note: This notice must be not less than 1/4 page in size in the newspaper.

NOTICE OF INTENT TO ISSUE BONDS
BY THE COUNTY OF GLADWIN, MICHIGAN

NOTICE IS HEREBY GIVEN that the County of Gladwin, Michigan (the "County"), intends to issue limited tax general obligation bonds in one or more series in the principal amount of not to exceed \$4,000,000 for the purpose of financing the cost of acquiring, constructing and improving County road commission facilities located at 301 S. State Street, Gladwin, Michigan, including but not limited to acquiring, constructing and improving new office and mechanic shop facilities, demolishing and removing certain existing facilities, and making other improvements to the new and improved facilities and the site thereof.

The bonds will bear interest from their date at a rate or rates to be determined at a competitive or negotiated sale but in no event to exceed such rates as may be permitted by law.

The bonds will be issued under and pursuant to the provisions of Act No. 34, Public Acts of Michigan, 2001, as amended, and the full faith and credit of the County will be pledged to pay the principal of and interest on the bonds as the same shall become due. The County will be obligated, as a first budget obligation, to advance moneys from its general funds or to levy ad valorem taxes on all taxable property within its corporate boundaries to pay the principal of and interest on the bonds as the same shall become due to the extent that other funds are not available for such purpose; provided, however, that the ability of the County to raise such moneys is subject to applicable constitutional and statutory limitations on the taxing power of the County. The sources of payment of the principal of and interest on the bonds will include revenues from State of Michigan collected taxes returned to the County for highway purposes.

RIGHT TO PETITION FOR REFERENDUM

This notice is given, by order of the Board of Commissioners of the County, to and for the benefit of the electors of the County in order to inform them of their right to petition for a referendum upon the question of the issuance of the aforesaid bonds. The bonds will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors residing within the County, whichever is the lesser, shall have been filed with the undersigned County Clerk. In the event that such a petition is filed, the bonds will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the County qualified to vote and voting thereon at a general or special election.

FURTHER INFORMATION

Further information relative to the issuance of said bonds, the improvements to be financed by proceeds of the bonds and the subject matter of this notice may be secured at the office of the County Clerk of the County of Gladwin, 401 West Cedar Avenue, Gladwin, Michigan 48624.

This notice is given pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended.


Laura Brandon-Maveal, Clerk
County of Gladwin

**RESOLUTION TO BORROW AGAINST
ANTICIPATED DELINQUENT 2017 REAL PROPERTY TAXES**

At a Regular meeting of the Board of Commissioners of the County of Gladwin, State of Michigan, held at Gladwin, Michigan, on the 13th day of February 2018.

PRESENT: Hinman, walters, Aultman,
Smith, Birgel

ABSENT: none

Smith offered the following resolution and moved its adoption. The motion was seconded by Birgel.

WHEREAS, the Board of Commissioners of the County of Gladwin (the "County") has heretofore adopted a resolution establishing the Gladwin County Delinquent Tax Revolving Fund (the "Fund") pursuant to Section 87b of Act No. 206, Public Acts of Michigan, 1893, as amended ("Act 206"); and

WHEREAS, the purpose of the Fund is to allow the Gladwin County Treasurer (the "County Treasurer") to pay from the Fund any or all delinquent real property taxes that are due and payable to the County, the State of Michigan and any school district, intermediate school district, community college district, city, township, special assessment district or other political unit for which delinquent tax payments are due; and

WHEREAS, it is hereby determined to be necessary for the County to borrow money and issue its notes for the purposes authorized by Act 206, particularly Sections 87c, 87d and 87g thereof; and

WHEREAS, it is estimated that the total amount of unpaid 2017 delinquent real property taxes (the "delinquent taxes") outstanding on March 1, 2018, will be approximately \$2,000,000.00 (Two million), exclusive of interest, fees and penalties.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Gladwin, State of Michigan, as follows:

Authorization of Borrowing

1. Pursuant to and in accordance with the provisions of Act 206, Public Acts of Michigan, 1893, as amended, and especially Sections 87c, 87d and 87g thereof, the County shall borrow the sum of not to exceed Two million five hundred thousand dollars (\$2,500,000.00) and issue its notes (the "notes") therefor for the purpose of continuing the Fund for the 2017 tax year. The exact amount to be borrowed shall not exceed the amount of delinquent taxes outstanding on March 1, 2018, exclusive of interest, fees and penalties. The County Treasurer shall designate the exact amount to be borrowed after the amount of the 2017 delinquent taxes outstanding on March 1, 2018, or the portion of the 2017 delinquent taxes against which the County shall borrow, has been determined.

Note Details

2. Pursuant to provisions of applicable law and an order of the County Treasurer, which order is hereby authorized, the notes may be issued in one or more series; shall be known as "General Obligation Limited Tax Notes, Series 2018" with a letter designation added thereto if the notes are issued in more than one series; shall be in fully registered form in denominations not exceeding the aggregate principal amounts for each maturity of the notes; shall be sold for not less than 98% of the face amount of the notes; shall bear interest at fixed or variable rates not to exceed the maximum interest rate permitted by applicable law; shall be dated, payable as to interest and in principal amounts, be subject to redemption in whole or in part prior to maturity,

including any redemption premiums, and be subject to renewal, at such times and in such amounts, all as shall be designated in the order of the County Treasurer. Notes or portions of notes called for redemption shall not bear interest after the redemption date, provided funds are on hand with the note registrar and paying agent to redeem the same. Notice of redemption shall be given in the manner prescribed by the County Treasurer, including the number of days' notice of redemption and whether such notice shall be written or published, or both. If any notes of any series are to bear interest at a variable rate or rates, the County Treasurer is hereby further authorized to establish by order, and in accordance with law, a means by which interest on such notes may be set, reset or calculated prior to maturity, provided that such rate or rates shall at no time be in excess of the maximum interest rate permitted by applicable law. Such rates may be established by reference to the minimum rate that would be necessary to sell the notes at par; by a formula that is determined with respect to an index or indices of municipal obligations, reported prices or yields on obligations of the United States or the prime rate or rates of a bank or banks selected by the County Treasurer; or by any other method selected by the County Treasurer.

Payment of Principal and Interest

3. The principal of and interest on the notes shall be payable in lawful money of the United States from such funds and accounts as provided herein. Principal shall be payable upon presentation and surrender of the notes to the note registrar and paying agent when and as the same shall become due, whether at maturity or earlier redemption. Interest shall be paid to the owner shown as the registered owner on the registration books at the close of business on such date prior to the date such interest payment is due, as is provided in the order of the County Treasurer. Interest on the notes shall be paid when due by check or draft drawn upon and mailed by the note registrar and paying agent to the registered owner at the registered address, or by such other method as determined by the County Treasurer.

Note Registrar and Paying Agent

4. The County Treasurer shall designate, and may enter into an agreement with, a note registrar and paying agent for each series of notes that shall be the County Treasurer or a bank or trust company that is qualified to act in such capacity under the laws of the United States of America or the State of Michigan. The County Treasurer may from time to time designate a similarly qualified successor note registrar and paying agent. Alternatively, the County Treasurer may serve as note registrar and paying agent if so designated by written order of the County Treasurer.

Disposition of Note Proceeds

5. The proceeds of the sale of the notes shall be deposited into a separate account in the Fund and shall be used to continue the Fund. The County Treasurer shall pay therefrom and from unpledged funds in the Fund, uncommitted funds in the County General Fund and/or any other legally available funds, the full amount of the delinquent tax roll against which the County has borrowed, delivered as uncollected by any tax collector in the County and that is outstanding and unpaid on or after March 1, 2018, in accordance with the provisions of Act 206. If the notes are sold at a premium, the County Treasurer shall determine what portion of the premium, if any, shall be deposited in the 2018 Collection Account established in Section 6 hereof.

2018 Collection Account

6. There is hereby established as part of the Fund an account (hereby designated the "2018 Collection Account") into which account the County Treasurer shall place delinquent taxes against which the County has borrowed, and interest thereon, collected on and after March 1, 2018, or such later date as determined by the County Treasurer, all County property tax administration fees on such delinquent taxes, after expenses of issuance of the notes have been paid, any premium as determined pursuant to Section 5 hereof, and any amounts received by the County Treasurer from the County, the State of Michigan and any taxing unit within the County, because of the uncollectibility of such delinquent taxes. The foregoing are hereby established as

funds pledged to note repayment. The County Treasurer shall designate the delinquent taxes against which the County shall borrow for each series of notes.

Note Reserve Fund

7. There is hereby authorized to be established by the County Treasurer a note reserve fund for the notes (the "2018 Note Reserve Fund") if the County Treasurer deems it to be reasonably required as a reserve and advisable in selling the notes at public or private sale. The County Treasurer is authorized to deposit in the 2018 Note Reserve Fund from proceeds of the sale of the notes, unpledged moneys in the Fund, uncommitted funds in the County General Fund and/or any other legally available funds, an amount not exceeding ten percent (10%) of the face amount of the notes.

Security for Payment of Notes

8. All of the moneys in the 2018 Collection Account and the 2018 Note Reserve Fund, if established, and all interest earned thereon, relating to a series of notes are hereby pledged equally and ratably as to such series to the payment of the principal of and interest on the notes and shall be used solely for that purpose until such principal and interest have been paid in full. When moneys in the 2018 Note Reserve Fund, if established, are sufficient to pay the outstanding principal of the notes and the interest accrued thereon, such moneys may be used to retire the notes. If more than one series of notes is issued, the County Treasurer by order shall establish the priority of the funds pledged for payment of each such series. In such case the County Treasurer may establish sub-accounts in the various funds and accounts established pursuant to the terms of this resolution as may be necessary or appropriate.

Additional Security

9. Each series of notes, in addition, shall be a general obligation of the County, secured by its full faith and credit, which shall include the County's limited tax obligation, within applicable constitutional and statutory limits, and its general funds. The County budget shall

provide that if the pledged delinquent taxes and any other pledged amounts are not collected in sufficient amounts to meet the payments of principal and interest due on each series of notes, the County, before paying any other budgeted amounts, will promptly advance from its general funds sufficient moneys to pay that principal and interest. The County shall not have the power to impose taxes for payment of the notes in excess of constitutional or statutory limitations. If moneys in the 2018 Collection Account and the 2018 Note Reserve Fund, if established, are not sufficient to pay the principal of and interest on the notes, when due, the County shall pay the same in accordance with this Section, and may thereafter reimburse itself from the delinquent taxes collected.

Release of Pledge of 2018 Collection Account

10. Upon the investment of moneys in the 2018 Collection Account in direct non-callable obligations of the United States of America in amounts and with maturities that are sufficient to pay in full the principal of and interest on the notes when due, any moneys in the 2018 Collection Account thereafter remaining may be released from such pledge created pursuant to Section 8 hereof and may be used to pay any or all delinquent real property taxes that are due the County, the State of Michigan and any school district, intermediate school district, community college district, city, township, special assessment district or other political unit to which delinquent tax payments are due for any year or for any other purpose permitted by law.

Sale of Notes

11. The County Treasurer is hereby authorized to offer the notes at public or private sale as determined by order of the County Treasurer and to do all things necessary to effectuate the sale, delivery, transfer and exchange of the notes in accordance with the provisions of this resolution. Notes of one series may be offered for sale and sold separately from notes of another series. If the notes are to be sold publicly, sealed proposals for the purchase of the notes shall be received by the County Treasurer for such public sale to be held at such time as shall be

determined by the County Treasurer and notice thereof shall be published in accordance with law once in *The Bond Buyer*, which is hereby designated as being a publication printed in the English language and circulated in this State that carries as a part of its regular service, notices of sale of municipal bonds. Such notice shall be in the form prescribed by the County Treasurer.

The County Treasurer is hereby authorized to cause the preparation of an official statement for the notes for the purpose of enabling compliance with SEC Rule 15c2-12 (the "Rule") and to do all other things necessary to enable compliance with the Rule. After the award of the notes, the County will provide copies of a final official statement (as defined in paragraph (e)(3) of the Rule) on a timely basis and in reasonable quantity as requested by the successful bidder or bidders to enable such successful bidder or bidders to comply with paragraphs (b)(3) and (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board. The County Treasurer is authorized to enter into such agreements as may be required to enable the successful bidder to bidders to comply with the Rule.

Continuing Disclosure

12. The County Treasurer is hereby authorized to execute and deliver in the name and on behalf of the County (i) a certificate of the County to comply with the requirements for a continuing disclosure undertaking of the County pursuant to paragraph (b)(5) or (d)(2) of the Rule, as applicable, and (ii) amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate.

Execution and Delivery of Notes

13. The County Treasurer is hereby authorized and directed to execute the notes for the County by manual or facsimile signature and the County Treasurer shall cause the County seal or a facsimile thereof to be impressed or imprinted on the notes. Unless the County Treasurer shall specify otherwise in writing, fully registered notes shall be authenticated by the manual signature of the note registrar and paying agent. After the notes have been executed and authenticated, if applicable, for delivery to the original purchaser thereof, the County Treasurer shall deliver the notes to the purchaser or purchasers thereof upon receipt of the purchase price. Additional notes bearing the manual or facsimile signature of the County Treasurer and upon which the seal of the County or a facsimile thereof is impressed or imprinted may be delivered to the note registrar and paying agent for authentication, if applicable, and delivery in connection with the exchange or transfer of fully registered notes. The note registrar and paying agent shall indicate on each note that it authenticates the date of its authentication. The notes shall be delivered with the approving legal opinion of Dickinson Wright PLLC.

Exchange and Transfer of Fully Registered Notes

14. Any fully registered note, upon surrender thereof to the note registrar and paying agent with a written instrument of transfer satisfactory to the note registrar and paying agent duly executed by the registered owner or his or her duly authorized attorney, at the option of the registered owner thereof, may be exchanged for notes of any other authorized denominations of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered note.

Each note shall be transferable only upon the books of the County, which shall be kept for that purpose by the note registrar and paying agent, upon surrender of such note together with a written instrument of transfer satisfactory to the note registrar and paying agent duly executed by the registered owner or his or her duly authorized attorney.

Upon the exchange or transfer of any note, the note registrar and paying agent on behalf of the County shall cancel the surrendered note and shall authenticate, if applicable, and deliver to the transferee a new note or notes of any authorized denomination of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered note. If, at the time the note registrar and paying agent authenticates, if applicable, and delivers a new note pursuant to this Section, payment of interest on the notes is in default, the note registrar and paying agent shall endorse upon the new note the following: "Payment of interest on this note is in default. The last date to which interest has been paid is [place date]."

The County and the note registrar and paying agent may deem and treat the person in whose name any note shall be registered upon the books of the County as the absolute owner of such note, whether such note shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such note and for all other purposes, and all payments made to any such registered owner, or upon his or her order, in accordance with the provisions of Section 3 hereof shall be valid and effectual to satisfy and discharge the liability upon such note to the extent of the sum or sums so paid, and neither the County nor the note registrar and paying agent shall be affected by any notice to the contrary. The County agrees to indemnify and save the note registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of notes, the County or the note registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The note registrar and paying agent shall not be required to transfer or exchange notes or portions of notes that have been selected for redemption.

Book Entry System

15. At the option of the County Treasurer and notwithstanding any provisions of this resolution to the contrary, the County Treasurer is hereby authorized to enter into an agreement with a custodian or trustee for the purpose of establishing a "book entry" system for registration of notes to be fully registered. Pursuant to the provisions of such agreement, the notes may be registered in the name of the custodian or trustee for the benefit of other persons or entities. Such agreement shall provide for the keeping of accurate records and prompt transfer of funds by the custodian or trustee on behalf of such persons or entities. The agreement may provide for the issuance by the custodian or trustee of certificates evidencing beneficial ownership of the notes by such persons or entities. For the purpose of payment of the principal of and interest on the notes, the County may deem payment of such principal and interest, whether overdue or not, to the custodian or trustee as payment to the absolute owner of such note. Pursuant to provisions of such agreement, the book entry system for the notes may be used for registration of all or a portion of the notes and such system may be discontinued at any time by the County. The note registrar and paying agent for the notes may act as custodian or trustee for such purposes.

Issuance Expenses

16. Expenses incurred in connection with the issuance of the notes, including without limitation any premiums for any insurance obtained for the notes, note rating agency fees, travel and printing expenses, fees for agreements for lines of credit, letters of credit, commitments to purchase the notes, remarketing agreements, reimbursement agreements, purchase or sales agreements or commitments, or agreements to provide security to assure timely payment of the notes, fees for the setting of interest rates on the notes and bond counsel, financial advisor,

paying agent and registrar fees, all of which are hereby authorized, shall be paid by the County Treasurer from County property tax administration fees on the delinquent taxes, from any other moneys in the Fund not pledged to the repayment of notes and general funds of the County that are hereby authorized to be expended for that purpose.

Replacement of Notes

17. Upon receipt by the County Treasurer of satisfactory evidence that any outstanding note has been mutilated, destroyed, lost or stolen, and of security or indemnity complying with applicable law and satisfactory to the County Treasurer, the County Treasurer may execute or authorize the imprinting of the County Treasurer's facsimile signature thereon and thereupon, and if applicable, a note registrar or paying agent shall authenticate and the County shall deliver a new note of like tenor as the note mutilated, destroyed, lost or stolen. Such new note shall be issued and delivered in exchange and substitution for, and upon surrender and cancellation of, the mutilated note or in lieu of and in substitution for the note so destroyed, lost or stolen in compliance with applicable law. For the replacement of authenticated notes, the note registrar and paying agent shall, for each new note authenticated and delivered as provided above, require the payment of expenses, including counsel fees, which may be incurred by the note registrar and paying agent and the County in the premises. Any note issued under the provisions of this Section in lieu of any note alleged to be destroyed, lost or stolen shall be on an equal basis with the note in substitution for which such note was issued.

Chargebacks

18. For any principal payment date of the notes on or after January 1, 2021, the delinquent taxes on property foreclosed and sold pursuant to the provisions of Act 206 and against which the County has borrowed shall, if necessary to ensure full and timely payment of principal of and interest on the notes when due, be charged back to the taxing jurisdictions in such manner as determined by the County Treasurer. The proceeds of such chargebacks shall be

deposited in the 2018 Collection Account as security for payment of the notes as described in Section 8 hereof. The provisions of this Section shall not limit the authority of the County Treasurer under the laws of the State of Michigan to charge back delinquent taxes under other circumstances or at other times.

Purchase of Notes by County

19. All or any portion of the notes may be purchased or otherwise acquired by the County if the County Treasurer by order deems such purchase or acquisition to be in the best interest of the County. In such case, the County Treasurer is authorized to take such actions to effectuate the purchase or acquisition, including without limitation entering into an agreement to purchase or repurchase the notes. The purchase or other acquisition of notes by or on behalf of the County does not cancel, extinguish or otherwise affect the notes and the notes shall be treated as outstanding notes for all purposes of this resolution until paid in full.

Issuance of Refunding Notes

20. The County shall refund all or part of the notes authorized hereunder and/or notes previously issued by the County to continue the Fund for prior tax years if and as authorized by order of the County Treasurer through the issuance of refunding notes (the "Refunding Notes") in an amount to be determined by order of the County Treasurer. Proceeds of the Refunding Notes may be used to redeem such notes and to pay issuance expenses of the Refunding Notes as authorized and described in Section 16 hereof. The County Treasurer shall have all the authority with respect to the Refunding Notes as is granted to the County Treasurer with respect to the notes by the other Sections hereof, including the authority to select a note registrar and paying agent, to apply to the Michigan Department of Treasury for approval to issue the Refunding Notes, if necessary, to cause the preparation of an official statement and to do all other things necessary to sell, execute and deliver the Refunding Notes. The Refunding Notes shall contain the provisions, shall be payable as to principal and interest and shall be secured as set forth

herein and as further ordered by the County Treasurer. The Refunding Notes may be sold as a separate issue or may be combined in a single issue with other obligations of the County issued pursuant to the provisions of Act 206 as shall be determined by the County Treasurer. The County Treasurer is authorized to prescribe the form of Refunding Note and the form of notice of sale, if any, for the sale of Refunding Notes.

Form of Notes

21. The notes shall be in the form approved by the County Treasurer, which approval shall be evidenced by the County Treasurer's execution thereof.

After discussion, the vote was:

YEAS: Walters, Aultman, Smith, Birgel, Himman
NAYS: none
ABSENT: none

A sufficient majority having voted therefor, the Resolution to Borrow Against Anticipated Delinquent 2017 Real Property Taxes was adopted.

STATE OF MICHIGAN)
)ss
COUNTY OF GLADWIN)

I, the undersigned, the duly qualified and acting Clerk of the County of Gladwin, State of Michigan, do hereby certify that the foregoing is a true and complete copy of proceedings taken at a regular meeting of the Board of Commissioners of said County, held on the 13th day of February, 2018, insofar as the same relate to the Resolution to Borrow Against Anticipated Delinquent 2017 Real Property Taxes, the original of which is on file in my office. Public notice of said meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan, 1976, as amended.


Clerk, County of Gladwin

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